

United States Senate

WASHINGTON, DC 20510

COMMITTEES:
ARMED SERVICES
BANKING, HOUSING, AND
URBAN AFFAIRS
ENVIRONMENT AND PUBLIC WORKS
VETERANS' AFFAIRS

June 24, 2020

The Executive Committee
South Dakota Native Homeownership Coalition
P.O. Box 340
Kyle, SD 57752

Dear Executive Committee Members,

I am writing with an update on our shared goal of achieving comprehensive reform of the Native American Direct Loan (NADL) Program, which is administered by the U.S. Department of Veterans Affairs (VA).

Over the past several months, my team and I have had the privilege of meeting with representatives from your organization, as well as with community development financial institution leaders, state and tribal Veterans Service Officers and the Native American veterans we are all working to support.

Along with you, we have engaged senior leaders within the VA's Loan Guaranty Service to share concerns and seek opportunities for immediate improvement to the NADL Program. I understand that the coalition is already working to secure some important changes to NADL procedure that the VA Loan Guaranty Service's executive director agrees can be made now.

Looking ahead to further reform, what has become clear from all my discussions and the extensive research my team has done on NADL reform is that many of the challenges this program faces are systemic, and some of them extend beyond the VA's control. As the necessary scope for true reform continued to widen, we engaged the office of the Chairman, Senate Committee on Veterans' Affairs to alert them to the urgent need for action. As a result, a member of the chairman's staff joined a member from my own office for a site visit at the VA's Regional Loan Center in St. Paul, Minnesota, which heads up the NADL Program for South Dakota's Native American veterans.

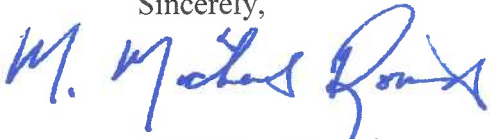
This visit confirmed that the program's issues are both widespread and complex. But before any truly comprehensive reform can be implemented, the root causes must be identified so they can be fixed systematically across the other federal agencies involved. To that end, I am pleased to share that Senate Veterans' Affairs Committee Chairman Jerry Moran (R-Kansas) has requested a report on VA's NADL Program from the Government Accountability Office (GAO). This report request builds momentum toward reform by engaging support from top congressional leaders and other members from both sides of the aisle.

GAO plans to begin developing its report before the end of this year. Once it's complete, we will receive findings and recommendations to help shape the path forward, to include possible legislation, that will address the issues and challenges not just within the VA, but also those problem areas that the VA by itself cannot change.

Thank you for all the hard work you have done on behalf of Native American veterans and their families. Your advocacy is the primary reason we have built strong, bipartisan support to take action in congress. Reforming NADL is a top priority for me as a member of the Senate Veterans' Affairs Committee, and I thank you for continuing to work so closely with my staff to make this program the benefit it was intended to be for our Native American veterans.

I enjoyed our discussion in Washington, D.C., and look forward to meeting with you again soon.

Sincerely,

A handwritten signature in blue ink that reads "M. Michael Rounds". The signature is written in a cursive style with a large, stylized "M" and "R".

M. Michael Rounds
United States Senator